



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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December 2, 1994

Dan Bauer
AKZO Nobel Salt, Incorporated
1428 James Palmer Road
Lake Point, Utah 84074

Re: Large Mining Operations Notice of Intention, AKZO Nobel Salt, Inc., Timpie Solar Ponds, M/045/030, Tooele County, Utah

Dear Mr. Bauer:

The Division has completed a review of the additional information received February 22, 1994 (Reclamation Contract and Surety Bond) and February 28, 1994 (response letter, two maps, and draft copy of Spill Prevention Control and Countermeasures). We offer our apology for the lengthy delay in responding to your submission. We are not yet prepared to issue tentative approval of the Timpie Solar Ponds large mine operations notice of intention. We believe that after the issues described in this letter are resolved we will be able to issue tentative approval and publish the public notice in preparation for presentation to our Board. Please review the comments listed below and provide a written response.

In this latest submission AKZO proposes all roads within plots A & B to have post mine use. The Division agrees that all the roads in Plot A would have postmine use provided the facilities in that plot have a postmine use. Most of the roads in Plot B would have a postmine use provided the facilities in Plot B have a postmine use. The western most road in Plot B which accesses the pump station would not seem to have a post mine use after reclamation of the site.

AKZO's submission implies all facilities within plots A & B should have a postmine use and therefore be granted a variance from reclamation requirements. In previous submissions, AKZO's justification for this postmine use was a reference to the similar variance granted in the Great Salt Lake Minerals permit. Division review of Great Salt Lake Minerals permit found the justification for their variance was a resolution from the Weber County Industrial Development Corporation which identified their plant site as part of a

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zoned industrial park. AKZO would need similar documentation from the county or other entity to justify the postmine use of all facilities in Plots A & B. AKZO indicated there is an agreement which gives Magcorp first rights on all properties abandoned by AKZO. The Division will need to review a copy of this agreement in order to make a decision on the postmine use issue.

With regard to amount of soil to be imported for reclamation, the Division recommends a 12 inch depth of soil be placed on Plot C as part of the final reclamation. Please provide us with additional information describing the borrow area(s) which will be used.

The latest facilities drawing received includes several new features not shown on previous versions of the drawing. These new features were not included in the last Division reclamation cost estimate. The new features in Plot B are: power, gas and water lines to the bulk salt storage, a transformer station, and a truck dock. New features in Plot B would not affect the estimate if the postmine use variance request is granted by the Division. The new loading ramp and road arc shown in Plot F have been added into the Division's reclamation estimate. The new loading ramp shown in Plot C has been added into the reclamation estimate. In addition, reclamation of an assumed disturbance at the proposed borrow area has also been added into the reclamation estimate. Please provide a description of the haul distance, site conditions, and amount of disturbance at the borrow area in order to adjust the reclamation estimate accordingly. Features have been added to Plots B, C and F; however, the acreage breakdown for features within these plots have not changed. Please explain the reason for this inconsistency.

Please provide additional information on the Salt Washing Plant & Related Facilities drawing identifying the section marker shown on the drawing. The latest drawing submitted has this marker labeled as "N1/4 Cor. Sec 8 T1S R7W SLB&M." The additional information describing this marker would be something like "the NE corner of the NE 1/4 Sec. 8, T1S R7W SLBM."

The Division has reviewed the Reclamation Contract and Surety Bond forms submitted by AKZO. There are several corrections to be made to these forms which are identified in Attachment One of this letter. In addition, the reclamation cost estimate has been adjusted by the Division to account for the new features mentioned above and project supervision. This new reclamation cost estimate is in draft form because the postmine use of the facilities is still being decided and we do not have a description of the topsoil borrow area. A copy of the draft estimate is attached for your review. The surety amount may need to be adjusted after we receive the additional information requested in this letter. The

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corrections to the Reclamation Contract and Surety Bond forms will need to be completed and the surety amount finalized before we can present this matter to our Board for approval.

To assist you, we have enclosed copies of: the Surety Bond and Reclamation Contract previously submitted by Akzo, blank versions of these forms, and a guide for completion of the Reclamation Contract.

Thank you for your attention in these matters. If you have any questions regarding this letter or feel that a meeting to discuss the issues would be appropriate, please contact me or Tony Gallegos of the minerals staff.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Wayne Hedberg". The signature is fluid and cursive, with the first name "D." and last name "Hedberg" clearly distinguishable.

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

Attachments: ONE-Corrections to Forms, Surety Estimate
enclosures
M45-30.LET

ATTACHMENT ONE
CORRECTIONS TO FORMS
M/045/030 AKZO Nobel Salt, Inc.
11/23/94

Surety Bond Form

Page 1: The company name will need to be changed to the new name on the blank line in "The undersigned _____, as Principal, ..." and in all other references to company name such as in the header on each page of the document. The section "Principal has estimated in the Mining and Reclamation Plan approved by the Division on the ____ day of _____, 19 __, that ____ acres of land ..." should be left blank. The Division will provide the date when the plan is approved. The exact surety amount is not yet determined. Additional information describing the borrow area and the postmine use of facilities is needed.

Page 2: Correct the name shown on the line for Principal (Permitee).

Page 3: The date on this page is to be left blank until the time of Board approval/signature.

Page 4: The second blank line should contain the title or position of the officer or agent representing the surety company in this matter instead of the name of the company.

Attachment A: The company name should be corrected on the line for Operator. The legal description should begin with the statement "Approximately 48.45 acres located in T. 1S, R7W, SLBM, section 8: NW1/4, W1/2ZNE1/4, except for a one acre" The description should also include a statement at the end such as "As described by the drawing titled Salt Washing Plant & Related Facilities Reclamation Plan dated 11/28/94."

Reclamation Contract

Page 1: The header in the upper right corner should include the file number M/045/030, but the effective date is left blank until the Board approves of the surety. The MINE LOCATION section should be revised to read "Timpie Solar Ponds near Timpie Springs approximately 43 miles west of Salt Lake City, Tooele County, Utah." The DISTURBED AREA (Disturbed Acres) section should list 48.5 acres (the same acreage listed in the Surety Estimate and Surety Bond form).

Page 2: The OPERATOR'S REGISTERED AGENT section will need to be completed. Please list the agent representing the operator to whom legal notice should be served, i.e. Operator's Attorney or other authorized officer registered in the State of Utah. The SURETY AMOUNT section will need to be revised to the new amount (still to be determined). The ESCALATION YEAR section should read "1999". The blank line in the

paragraph beginning "This Reclamation Contract ..." should be changed to the correct company name.

Page 7: The Operator Name section should be changed to the correct company name.

Page 8: The paragraph should read similar to "On the 4th day of March, 1994, personally appeared before me Rosalee M. Wilson who being by me duly sworn did say that he/she, the said Rosalee M. Wilson is the Attorney-in-fact of Federal Insurance Company and"

RECLAMATION ESTIMATE

Akzo Nobel Salt, Inc.

Timpie Solar Ponds

Prepared by Utah State Division of Oil, Gas & Mining

DRAFT

last revision

11/23/94 filename M45-30.WQ2

M/045/030

Tooele County

Reclamation Details

-North dike(s) to remain to protect I-80 from flooding - POSTMINE use		
-Dikes protecting Timpie Waterfowl Area to remain in place - POSTMINE use		
-All other dikes to erode naturally without regrading		
-All wooden gates in dikes to be left open & erode naturally		
-Two concrete gates in dike system to be removed		
-IF Vehicle maintenance facility & roads in PLOT 'A' have a POSTMINE use	3.2	acres
-IF Warehouse, offices & access roads in PLOT 'B' have a POSTMINE use	6.1	acres
-Stacker conveyor, salt stockpiles & ramp in PLOT 'C' to be reclaimed	23.6	acres
-Salt washing plant & ramps in PLOT 'D' to be reclaimed	4.8	acres
-Roads & ramp in PLOT 'F' to be reclaimed by regrading & reseeding	1.6	acres
-UP&L Substation in PLOT 'E' not included in Akzo's reclamation plan(0.9 acre)	0	acres
-ASSUME borrow soil to cover 70% Plot C & 10% Plot F with 12" soil(16.5+.16)	16.7	acres
ASSUME soil at borrow areas is 24" deep, then borrow area needed =	9.15	acres
-Refer to map received 2/28/94 for "Plot" descriptions---NEED UPDATED MAP		
-Total disturbed acreage (pond systems & dikes not included) =	48.45	acres
-Total disturbance to be reclaimed =	39.2	acres

Description	Amount	\$/unit	\$
Open all gates *	24 gates	17	408
Remove concrete gates *	2 gates	700	1,400
Demo/remove wash plant *	1 sum	20,500	20,500
Demo/remove stacker *	1 sum	22,800	22,800
Rip & remove stockpile *	1 sum	26,800	26,800
Grade disturbed area at site	30 acre	350	10,500
Haul & place 12" topsoil in Plots C,F	26,943 CY	0.60	16,166
Reseed borrow areas	9.15 acre	260	2,379
Reseed disturbed area at site	30 acre	260	7,800
Mobilization	5 equip	1,000	5,000
subtotal			113,753
Supervision (5% of subtotal)			5,688
subtotal			119,440
Add 10% contingency			11,944
Total in 1994 \$			131,384
Escalation for 5 years @ 2.01%			13,746
Total in 1999 \$			145,130
Rounded total in 1999-\$			\$145,100

DRAFT

Average cost/disturbed acre =

\$2,995

** Akzo estimate for this task